

Date Mailed
August 11, 1998

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Investigation to Determine Industry-Wide Service Quality
Benchmarks for Price Regulated Telecommunications
Utilities for 1998 Price Regulation Filings

05-TI-157

NOTICE OF HEARING

Direct Testimony Due:
September 16, 1998 – Noon

Rebuttal Testimony Due:
September 30, 1998 – Noon

Surrebuttal Testimony Due:
October 7, 1998 – 10 a.m.

Address Testimony To:
Donna L. Paske
Examining Division
Public Service Commission
P.O. Box 7854
Madison, WI 53707-7854
Fax: (608) 266-3957

(All faxed testimony due one working day earlier than above deadlines.)

Hearing Date:
October 7, 1998 – 10 a.m.

Section 196.196 (1), Stats., allows telecommunications utilities to elect to be price-regulated. Chapter PSC 163, Wis. Admin. Code, determines the procedures for electing price regulation, establishes the mechanics of price regulation, sets reporting requirements, and creates miscellaneous provisions to make more specific the requirements of § 196.196(1), Stats.

According to § PSC 163.04(2)(c)10, Wis. Admin. Code, on each anniversary date, the Public Service Commission of Wisconsin (PSCW or Commission), following an opportunity for hearing, shall compute new industry-wide quality of service standards. These service quality standards shall be used in calculating any increase in the productivity offset for inadequate service quality on the next anniversary date of each price-regulated telecommunications utility pursuant to § 196.196, Stats.

A Notice of Investigation in docket 05-TI-157 was issued on August 19, 1997. According to the Notice, the Commission initiated this investigation to establish industry-wide service quality standards for the 1998 anniversary dates of each price-regulated telecommunications utility for the following service quality components: (1) average time interval for installation, (2) annual initial trouble reports per 100 lines, (3) average time out of service, (4) percent repeat trouble reports, and (5) average employee answer time for repair calls. A draft order, establishing industry-wide service quality standards for 1998 and 1999 anniversary dates, was circulated giving the parties an opportunity

to comment. Comments were received from Ameritech Wisconsin (Ameritech), GTE North Incorporated (GTE), and the Wisconsin State Telecommunications Association (WSTA). In comments filed, Ameritech questioned whether there was adequate notice to set standards for 1999.

At the open meeting of March 12, 1998, the Commission determined that a supplemental notice should be issued expanding the scope of the docket to establish the basis for 1999 industry-wide service quality standards. Parties were given the opportunity to submit comments regarding the expanded scope and on the use of a statewide service quality survey to establish an industry-wide standard for initial trouble reports per 100 access lines. Comments were again filed by Ameritech, GTE, and the WSTA. GTE requested a hearing regarding the proposed industry-wide standards for 1999.

Industry-wide service quality standards for 1998 were needed by the end of April 1998, for GTE's next anniversary. The Commission determined, therefore, that it was reasonable to issue an order on only 1998 standards and to set for hearing the establishment of the basis for 1999 standards. An order for 1998 anniversary dates was issued on April 30, 1998.

Issues to be Addressed in the Hearing

The hearing on industry-wide service quality standards for the 1999 anniversary dates of each price-regulated telecommunications utility will be limited to the following issues:

1. Is it appropriate to use the statewide service quality survey referred to above in setting industry-wide standards? Related questions include:
 - a. Does a survey for only one year provide a sufficient basis for setting industry-wide service quality standards?
 - b. Are the survey results verifiable?
 - c. Is the survey data comparable between companies?
 - d. Were the survey results properly applied?
2. Why was the 10 percent adder to the Federal Communications Commission's Automated Reporting Mechanized Information System 3-year nationwide median originally used and why should it now be eliminated?
3. If the 10 percent adder is eliminated, should the nationwide median be weighted by access lines?
4. Why should a dual standard be imposed for average time out of service and initial trouble reports per 100 access lines?
5. What is the basis for using the industry-wide standards of 19 troubles per 100 access lines and 5 troubles per 100 access lines per exchange for three or more months?
6. Why is it necessary to change the basis for establishing industry-wide service quality standards for 1999 anniversary dates?

7. Are customer complaints related to service quality sufficient to justify the changes being proposed for 1999 anniversary dates?

8. Are present and proposed standards comparable to those set forth in ch. PSC 165, Wis. Admin. Code? If different, why are they different? Are all differences reasonable?

This is a Type III action under § PSC 4.10(3), Wis. Admin. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under § 1.11, Stats., nor an environmental assessment is required.

NOTICE IS GIVEN that a hearing will be held on **October 7, 1998**, at **10 a.m.** in the Amnicon Falls Hearing Room (Room 1300) at the Public Service Commission Building, 610 North Whitney Way, Madison, Wisconsin. This building is accessible to people in wheelchairs through the Whitney Way first-floor entrance (lobby). Parking for people in wheelchairs is available on the south side of the building. Any person with a disability who needs accommodations should contact Richard Teslaw at (608) 267-9766.

NOTICE IS FURTHER GIVEN that this hearing will be conducted as if it were a Class 1 proceeding as defined in § 227.01(3)(a), Stats.

NOTICE IS FURTHER GIVEN that Commission staff shall file a synopsis or summary of the testimony or other evidence presented at the hearing in this case. The parties, pursuant to § 196.24(3), Stats., as amended by § 24 of 1997 Wisconsin Act 204, may demonstrate that a synopsis or summary is not sufficiently complete or accurate to fairly reflect the relevant and material testimony or other evidence presented at the hearing.

NOTICE IS FURTHER GIVEN that an **original and 15** copies of direct testimony shall be filed with the Commission and copies provided to full parties **by noon on September 16, 1998**. Rebuttal testimony is due in hand **by noon on September 30, 1998**. Surrebuttal testimony is due **at 10 a.m. on October 7, 1998**. Fax filings are due one day earlier than the above dates to allow time for copies to be made. Fax filing cover sheets must state "Official Filing" and the number of pages (limit 20 pages). File by one mode only. Copies of the direct testimony may be obtained by calling (608) 261-8524 or by written request to Records Management Unit, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, Wisconsin 53707-7854, **after September 16, 1998**. Copies of rebuttal testimony may be obtained after **September 30, 1998**. Refer to docket 05-TI-157 in your request. Copies will also be available at the hearing.

NOTICE IS FURTHER GIVEN that persons intending to participate as a full party must indicate such interest in writing, referencing docket 05-TI-157, to the Examining Division, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, Wisconsin 53707-7854. *A fax number should be furnished.* Even if a person has been included on the mailing list in this docket, full party status must be requested separately subsequent to the issuance of this notice of hearing. A list of the full parties will be distributed by fax on **September 8, 1998**, to permit mailing or faxing of testimony.

Docket 05-TI-157

The Commission has jurisdiction to issue this notice pursuant to ch. PSC 163, Wis. Admin. Code, and §§ 196.01, 196.02, 196.196, and other provisions of chs. 196 and 227, Stats., as may be pertinent hereto.

Anyone having questions regarding the hearing schedule in this notice may call Donna L. Paske, Examining Division, at (608) 266-7173. Other questions regarding this investigation may be directed to Mary M. Stevens, Legal Counsel, Telecommunications Division, at (608) 266-1125, or Thomas J. Ferris, Audit Manager, Telecommunications Division, at (608) 266-1124.

Dated at Madison, Wisconsin _____

By the Commission.

Lynda L. Dorr
Secretary to the Commission

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cc: RM/Mail